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SUBJECT: FRANCE'S "YEAR OF" PROGRAM FINDS CULTURAL AND COMMERCIAL
SUCCESS; U.S. PROPOSED FOR 2012-2013

Ref A: Paris 1553; B: Paris 1520; C: Paris 1526

¶1. (C) SUMMARY Cultural exchanges serve as a vehicle for French commercial diplomacy and a key feature in its foreign affairs strategy. Through the semi-public agency CulturesFrance, France dedicates a calendar year or a shorter "season" to cultural cooperation with a chosen country in order to bolster economic and political ties in strategically important markets. The cultural "year of" program has gained such legitimacy that state ministers, small- to medium-sized enterprises, and France's top companies now use the cultural year as a very successful platform to advance their interests, make new business deals, and encourage investment in France. The French have pitched the idea of creating a 2012-2013 simultaneous "Year of France in the United States and Year of the United States in France." End summary.

The "Year of China" Turns Cultural Cooperation
Into Economic Profit

¶2. (U) The CulturesFrance Department of Development and Strategy, an arm of the Ministry of Foreign Affairs, has directed the cultural season program for the past 11 years, although the first cultural exchange series took place with 1985's "Year of India in France." Originally, the "Year of" program focused exclusively on cultural exchanges that occurred on an irregular basis for nearly two decades, until overriding economic interest in China during the 2003 "Year of China in France" and 2004 "Year of France in China" gave the cultural exchange a new trajectory. CulturesFrance officials said Franco-Chinese cooperative agreements were forged in all sectors, including diplomatic, economic, educational, and scientific. For the first time, French business leaders formed a bilateral commissariat akin to a corporate sponsorship committee with their Chinese counterparts to foster economic partnerships and investments. Each company had to pay an access fee to the commissariat, raising approximately two million euros to host the Year of France in China.

Funding and Running a "Year of" Program

3) (U) The access fee created for China has since become a standard fundraising practice, which also gives companies decision-making input into proposed events, a presence at those events, and a logo stamp on all official publications associated with the year. While France invests significant funds on cultural cooperation efforts (303 million euros (USD 445 million) in 2008), the bulk of the "Year of" funding comes from the private sector. Essentially, the organizing committee puts out a tender offer for projects, and corporate and non-profit entities submit proposals. A theme is also chosen, such as "innovation" or "growth," which project proposals must include. If approved, the projects would be accredited as an official project and part of the "Year of" program, but would furnish their own publicity, transportation, running costs, etc. Since 1995, the "Year

of" organization committee also signs agreements with municipal, departmental, and regional governments who commit to financially support artistic or other groups from their areas.

Choice of Country Can Be Prescient, Presidential

¶4. (C) While CulturesFrance staff claimed the choice of which country to highlight originates with them and then goes up through the Minister of Foreign Affairs to the Elysee Palace, the MFA's Brazil desk said the decision often comes straight from the Elysee, as in Brazil's case. The timeliness of France's recent choices of China, Brazil, and Turkey, followed by Russia in 2010 and Mexico in 2011, would seem to suggest that the decision to host a cultural year is an immediate response to the prevailing economic and political landscape. However, country picks reflect more intuition than reaction. Ideas for bilateral cooperation via cultural years or seasons are often floated three to four years in advance. For example, the 2009 "Year of France in Brazil" was decided by President Chirac during the 2005 "Year of Brazil in France" (Ref. A) but coincided fortuitously with pre-Copenhagen cooperation (Ref B) and the possible sale of French Rafale jets to Brazil (Ref C). The Elysee's technical advisor for culture, Eric Garandeau, said that while President Sarkozy did not choose Brazil, he was quick to capitalize on the value of the strategic relationship and dramatically increased France's engagement, especially at the Presidential level.

¶5. (SBU) Once France preliminarily selects a country and a pitch is made to the prospective partner, CulturesFrance says that the two heads of state ultimately make the decision whether to cooperate and to what extent, with deadlines, financing, and respective obligations

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laid out eventually in writing. A minimum of two years is needed to adequately prepare. For small countries, such as Finland, this might be shorter, as CulturesFrance estimates there may not be enough press interest for a full year-long program and so only several months of events are planned.

¶6. (SBU) The French choice of who will head the bilateral commissariat is strategic as well. During the 2009 "Season of Turkey," Henri de Castries of AXA Group, France's largest insurance company, presided over the joint organizing committee. According to press reports, he overwhelmingly planned the season with an eye on Turkey's economic opportunities. Yves-Saint Geours, a Foreign Affairs Ministry veteran with specialized studies in Latin America, chaired the Commissariat of the 2009 "Year of France in Brazil." The Junior Minister for Trade, Anne Marie Idrac, also created a first-of-its-kind Franco-Brazilian commercial group headed by GDF Suez's Gerard Mestrallet. GDF Suez is Brazil's largest private electricity supplier. For the 2010 Franco-Russian cultural year, the Elysee tapped Louis Schweitzer, honorary president of Renault, as Commissariat President. Renault was one of many French and Russian business leaders to sign approximately 20 agreements and contracts during Russian Prime Minister Vladimir Putin's November 26-27, 2009, visit to France. Renault, which owns a 25 percent stake in Russia's AutoVAS, made a deal to rescue the nearly-bankrupt Russian carmaker during the meeting.

Cold, Calculated -- and Cultural

¶7. (SBU) While there is still immense value in a purely cultural exchange, the cultural seasons are "diplomatie d'influence" beyond a doubt," admitted the director of CulturesFrance Development and Strategy Department. The Department's stated mission is to "unite the interests, resources and means of many actors to lead purposeful actions in strategic countries and regions (new emerging markets in Brazil, India, Russia, China and in the Euro-Mediterranean region.)" "More than others, our country has weight in the international scene and in people's hearts because of this immaterial presence that one calls culture," Kouchner said in a January 2009 op-ed in French daily Liberation. "It's our [culture] that gives us our capacity to participate in and influence globalization, and to resist it." Participating partner countries have learned that it works both ways;

when Putin visited Paris, under the auspices of promoting the upcoming cultural year, he carried a delegation of ministers and business leaders in tow, pens ready to sign contracts and memorandums of understanding in the transportation, automotive, pharmaceutical and energy sectors.

¶8. (SBU) These partnerships garner impressive quantitative results. Not all growth in chosen countries can be attributed to the "year of," but it is notable that French FDI in China increased from 2.1 billion to 7 billion euros from 2002 to 2008 (although Chinese FDI in France only amounted to 303 million euros in 2008). Between 2005 and 2009, the Brazilian and French cultural years, France increased exports to Brazil by 59 percent and imports from Brazil by 39 percent. France also invested approximately 10 billion euros in Brazil in 2008, double the amount in 2005(Ref A), making Brazil France's premier FDI destination among developing countries. Flush with these results, France intends to continue honing this "diplomatie d'influence;" FM Kouchner has proposed reforms to France's cultural agencies, with CulturesFrance expected to become more commercially focused. As a possible sign of things to come, France has already invested more in Russia than the United States in FDI terms.

The Year of the United States in France?

¶9. (SBU) In early November 2009, CulturesFrance briefed Ambassador Rivkin on the idea of a 2012-13 U.S.-France cross-cultural year. In its proposal, CulturesFrance wrote, "[t]hrough artistic, educational, scientific and economic domains, [the cultural season] provides [. . .] above all, a vast operation of promotion and communication." The Elysee's Garandeau suggested that, given the vastness of the American media market, a shorter, more intense season with narrowly defined themes may have a greater impact. Thematic and sectoral ideas discussed with post included a focus on young creators and entrepreneurs, urban youth, and green technology. Post reiterated that the USG cannot commit any funds to the project and expects private entities to organize their participation. The Elysee now needs a letter or response from post or an official USG entity accepting to engage in the program.

An Airbus Wrapped In A Degas

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¶10. (C) COMMENT: As seen in FM Kouchner's frank comments, France unabashedly capitalizes on its cultural legacy in order to force open strategically important markets and acquire politically important ties. As evidenced by the extremely favorable outcomes for France from the France-Brazil exchange, France has learned that culture sells and can be a valuable asset in commercial diplomacy. The Year of France-United States would undoubtedly celebrate over 200 years of cultural exchange, and could generate opportunities for French and American companies.

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